**Decline in loans disbursed by SIDBI**

4116. DR. DASARI NARAYANA RAO : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that there is decline in the quantum of loans disbursed by SIDBI in Andhra Pradesh and other parts of the country;

(b) if so, the details of the quantum of loans disbursed by SIDBI during the last three years, year-wise and State-wise;

(c) whether this has resulted in setback to Small Scale Industry Sector in the country; and

(d) if so, what remedial measures Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) and (b) The total disbursements of assistance by Small Industries Development Bank of India (SIDBI) during the last three years and in the State of Andhra Pradesh are as under :

(Rs. in crores)

| Year | All States/UTs | Andhra Pradesh |
|---|---|---|
| 1999-2000 | 6963 | 223 |
| 2000-2001 | 6441 | 268 |
| 2001-2002 | 5919 | 215 |

The details of State-wise assistance provided by SIDBI during the last three years are given in the enclosed Statement-I (*See* below). There was an overall decline in disbursements of SIDBI mainly due to slow down in growth of industrial sector, moderate performance of services sector and availability of comfortable liquidity in the banking system resulting in lower off take by way of refinance from SIDBI.

(c) SIDBI has reported that the production, employment, exports and number of SSI Units have increased during the three years from 1999-2000 to 2001-2002. During the last three years, employment has increased from 17.85 million persons to 19.20 million persons and number of SSI Units has also increased from 32.1 lakhs to 34.6 lakhs.

(d) With a view to increase the flow of credit to SSI Sector, some of the measures taken are given in the enclosed Statement-II.

***Statement***

*The Region State-wise assistance provided by Small Industries Development Bank of India during the years 1999-2000, 2000-01-2001-02*

(Rs. in crores)

| | 1999-2000 | | | 2000-01 | | | 2001-02 | | |
|---|---|---|---|---|---|---|---|---|---|
| | No. | Sanc. | Disb. | No. | Sanc. | Disb. | No. | Sanc. | Disb. |
| **Eastern Region** | | | | | | | | | |
| Bihar | 7626 | 103.07 | 96.74 | 4734 | 91.86 | 73.60 | 1721 | 33.77 | 29.19 |
| Jharkhand | | | | | | | 4 | 18.81 | 14.50 |
| Orissa | 3664 | 188.38 | 137.11 | 4970 | 213.85 | 164.44 | 2234 | 132.99 | 91.76 |
| Sikkim | 183 | 2.45 | 3.72 | 86 | 1.10 | 1.09 | 87 | 1.25 | 1.24 |
| West Bengal | 812 | 218.55 | 183.58 | 344 | 366.97 | 171.00 | 425 | 296.98 | 190.42 |
| A & N Islands | 0 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 2 | 0.06 | 0.05 |
| **Total** | **12285** | **512.45** | **421.15** | **10134** | **673.78** | **410.13** | **4473** | **483.86** | **327.16** |
| **N.E. Region** | | | | | | | | | |
| Arunachal Pradesh | 191 | 1.46 | 1.48 | 213 | 1.67 | 1.67 | 270 | 2.13 | 2.13 |
| Assam | 1608 | 13.31 | 13.07 | 704 | 34.62 | 20.16 | 1171 | 23.35 | 19.36 |
| Manipur | 606 | 4.79 | 4.18 | 50 | 6.39 | 7.27 | 91 | 1.52 | 1.52 |
| Meghalaya | 128 | 4.43 | 4.02 | 89 | 7.52 | 5.43 | 32 | 2.904 | 4.72 |
| Mizoram | 90 | 1.06 | 1.00 | 81 | 1.90 | 1.51 | 44 | 1.04 | 0.81 |
| Ngaland | 1 | 1.48 | 1.48 | 189 | 3.80 | 2.82 | 390 | 2.53 | 2.47 |
| Tripura | 406 | 5.01 | 5.10 | 335 | 7.85 | 6.50 | 49 | 1.43 | 1.27 |
| **Total** | **3030** | **31.54** | **30.33** | **1661** | **63.75** | **45.36** | **2047** | **34.94** | **32.28** |
| **Northern Region** | | | | | | | | | |
| Haryana | 660 | 247.97 | 229.28 | 483 | 215.19 | 139.43 | 83 | 418.86 | 229.48 |
| Himachal Pradesh | 2290 | 38.18 | 32.40 | 1291 | 35.68 | 29.90 | 248 | 35.21 | 26.17 |
| J&K | 707 | 17.90 | 16.90 | 454 | 184.26 | 92.58 | 260 | 219.75 | 137.62 |
| Punjab | 1904 | 269.99 | 210.29 | 1541 | 597.74 | 412.60 | 284 | 247.72 | 184.56 |
| Rajasthan | 951 | 245.96 | 195.23 | 629 | 675.18 | 338.50 | 527 | 214.25 | 165.12 |
| Uttar Pradesh | 965 | 197.92 | 173.77 | 9867 | 394.45 | 238.65 | 2393 | 487.49 | 286.67 |
| Chandigarh | 176 | 129.59 | 17.25 | 43 | 95.68 | 14.56 | 225 | 95.50 | 61.35 |

(Rs. in crores)

| | 1999-2000 | | | 2000-01 | | | 2001-02 | | |
|---|---|---|---|---|---|---|---|---|---|
| | No. | Sanc. | Disb. | No. | Sanc. | Disb. | No. | Sanc | Disb. |
| Delhi | 603 | 261.91 | 133.77 | 3371 | 668.83 | 351.61 | 1147 | 703.36 | 418.77 |
| Uttaranchal | | | | | | | 116 | 63.19 | 8.31 |
| **TOTAL** | **8256** | **1409.42** | **1008.89** | **17679** | **2867.01** | **1617.83** | **5283** | **2485.33** | **1518.05** |
| **Western Region** | | | | | | | | | |
| Chhattishgarh | | | | | | | 264 | 17.90 | 15.80 |
| Goa | 389 | 75.26 | 78.36 | 74 | 111.24 | 85.44 | 83 | 56.84 | 45.64 |
| Gujarat | 1771 | 698.21 | 417.36 | 741 | 1193.74 | 716.10 | 805 | 975.58 | 574.41 |
| Madhya Pradesh | 17137 | 284.59 | 228.07 | 9766 | 473.69 | 327.96 | 275 | 272.89 | 190.29 |
| Maharashtra | 2466 | 1036.85 | 820.67 | 1125 | 2081.87 | 1320.79 | 1134 | 1704.50 | 1215.10 |
| Dadra & Nagar Haveli | 15 | 16.21 | 13.31 | 7 | 6.79 | 5.20 | 5 | 37.69 | 23.95 |
| Daman & Diu | 1 | 2.19 | 1.30 | 0 | 20.85 | 11.61 | 1 | 15.87 | 9.33 |
| **TOTAL** | **21779** | **2113.31** | **1559.07** | **11713** | **3888.18** | **2467.10** | **2567** | **3081.27** | **2074.52** |
| **Southern Region** | | | | | | | | | |
| Andhra Pradesh | 4630 | 276.02 | 222.51 | 4180 | 473.31 | 268.24 | 1053 | 334.40 | 215.03 |
| Karnataka | 11889 | 401.07 | 302.79 | 2929 | 862.12 | 510.70 | 2434 | 705.11 | 550.25 |
| Kerala | 2798 | 356.13 | 317.38 | 1161 | 555.58 | 389.05 | 1009 | 534.66 | 395.53 |
| Tamil Nadu | 4573 | 616.04 | 442.77 | 2249 | 1373.92 | 664.78 | 2189 | 1199.74 | 711.23 |
| Lakshadweep | 0 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0 | 0.00 | 0.00 |
| Pondicherry | 35 | 1.87 | 2.81 | 8 | 18.93 | 8.99 | 4 | 5.49 | 5.02 |
| TOTAL | 23925 | 1651.13 | 1288.26 | 10527 | 3283.86 | 1841.76 | 6689 | 2779.40 | 1877.06 |
| TOTAL | 69275 | 5717.85 | 4307.70 | 51714 | 10776.58 | 6382.18 | 21059 | 8864.82 | 5829.07 |
| Schemes-wise | 538 | 4546.89 | 2655.80 | 490 | 44.02 | 59.23 | 620 | 160.70 | 90.26 |
| **Grand TOTAL** | 69813 | 10264.74 | 6963.50 | 52204 | 10820.60 | 6441.41 | 21679 | 9025.52 | 5919.33 |

***Statement-II***

*Measures taken to increase the flow of Credit to SSI Sector*

1. Banks to provide working capital to SSI sector on the basis of minimum of 20% of projected turnover. The upper ceilings were gradually enhanced from Rs. 2 crore to Rs, 4 crore in Union Budget 1998-99 and from Rs. 4 crore to Rs 5 crore (Union Budget 1999-2000).

2. Raising of the Composite loan limit from Rs. 10 lakhs to Rs. 25 lakhs.

3. Raising the limit of Projects to Rs. 50 lakhs for providing assistance under National Equity Fund Scheme.

4. Increase in the borrowal limit for collateral free loan to tiny sector from Rs. 1 lakh to Rs. 5 lakhs. The RBI in its Credit Policy 2002-03 has announced that the banks may on the basis of good track record of units, and their financial position, further increase the limit of dispensing with collateral requirement for loans from Rs. 5 lakhs to Rs. 15 lakhs.

5. Launching of Credit Guarantee Fund Scheme for Small Industries to cover collateral-free and third party guarantee free loans of commercial banks to SSI sector including IT and software sector, upto a limit of Rs. 10 lakhs (since enhanced to Rs. 25 lakh). A separate Trust *viz.*,Credit Guarantee Fund Trust for Small Industries have been jointly set up by SIDBI and Government of India for the purpose and the Scheme is already operational since August 2000.

6. Introduction of Credit Linked Capital Subsidy Scheme for Technology Upgradation of SSIs (CLCSS) in the select products/sub-sectors.

7. The individual credit limit to artisans, village and cottage industries for reckoning under advance to weaker sections is increased from Rs. 25,000/- to Rs. 50,000/-.

8. Earmarking of 30% of the investment under NEF for the tiny sector.

**Loans for unemployed graduates in Uttaranchal**

4117. SHRI HARISH RAWAT : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) whether Government are aware of the problems faced by the unemployed graduates in getting loans from the banks in Uttaranchal;